

# **What is the biggest policy call for Jersey as it faces into challenging economic, demographic and geopolitical conditions?**

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Chamber of Commerce Lunch - 23 January 2025

# Presentation aims to stimulate debate on these points



- A changing world order is stress-testing Jersey's historic policy choices
- Jersey's business model may have new-found relevance in a scary world
- Our democracy is finding it difficult to plot its future course – we see similar stresses in all liberal democracies
- Is a restoration of the Jersey model the best way to raise living standards?
- The Chief Minister has commissioned several big events where all elected members and civic leaders can engage with the evidence and the options

# A scary world is stressing democracies including us



## Long-term Challenges



Demographic change: ageing



Low productivity



Changing world order

## Long Term Constraints



Full employment



Constrained infrastructure



Finite land for development

## Historic Policy Choices



Low and simple tax



Annual govt spending = annual tax revenue



Immigration restricted by housing/work laws



Building control - where & how high



Carbon neutrality

## Emerging Consequences



It's super important to

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Bigger demand on governments



Growing regulatory requirements



Inequality within and between nations

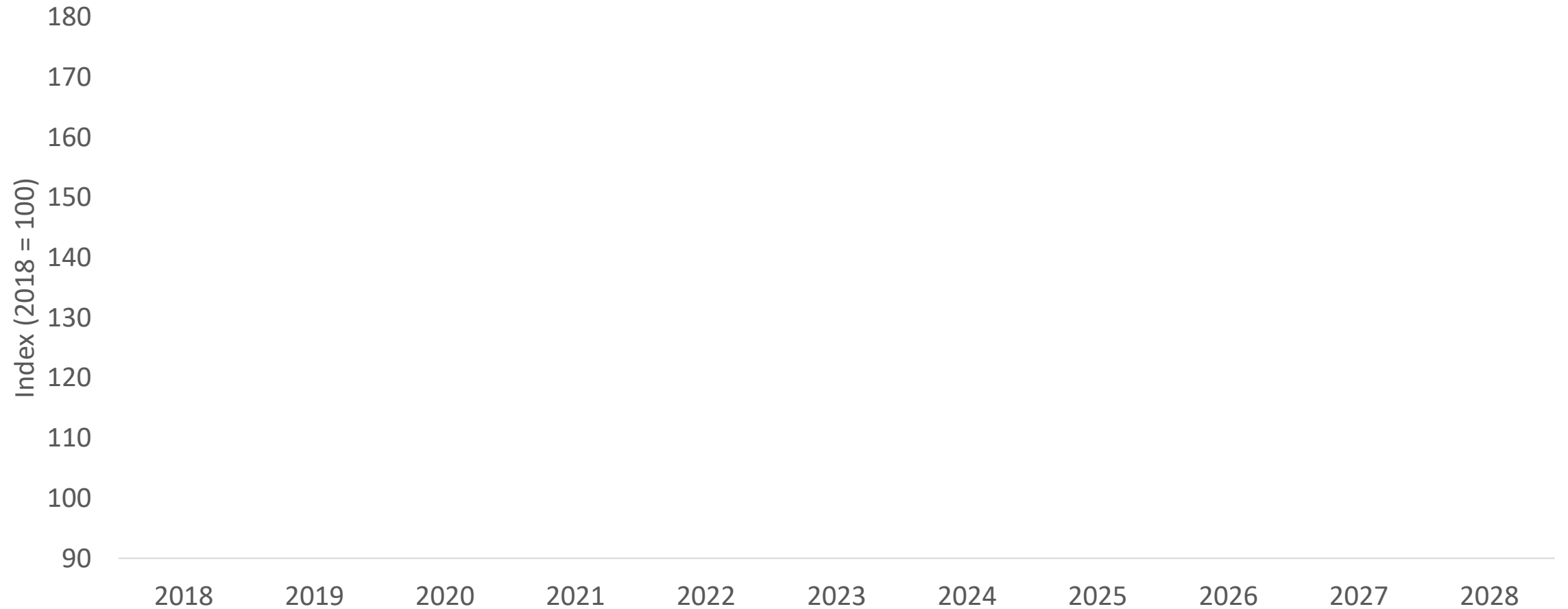


Declining trust in political systems

# Fiscal Prudence?



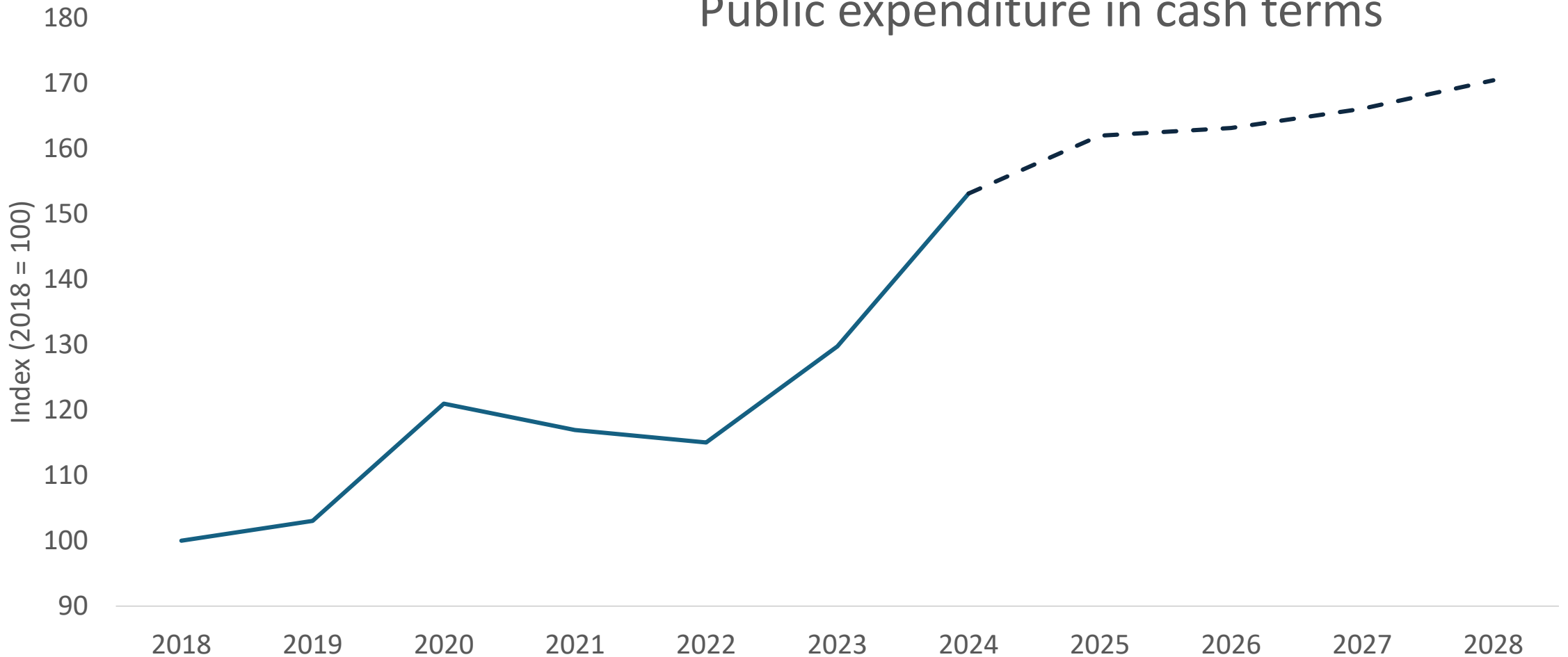
## Public expenditure



# Fiscal Prudence? Spending is 53% higher in 6 years



Public expenditure in cash terms







# Government Property Portfolio



 Total Portfolio 424,000 sqm	 Total Asset Value £898m	 Site Tenure 85% Freehold	 Annual Maintenance budget £7.5m
 36,000 Sqm office space	 499 Residential units	 11 Health facilities	 1 Prison
 25 Primary Schools	 7 Secondary Schools	 1 Further Education College	 6 Leisure Centres
 2 markets	 90 Listed Sites	 5 Emergency Services properties	 22kg CO2e/sqm/year
 Buildings Condition <sup>15</sup> A – 2%	 Buildings Condition <sup>7</sup> B – 36%	 Buildings Condition <sup>7</sup> C – 35%	 Buildings Condition <sup>7</sup> D – 26%

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